

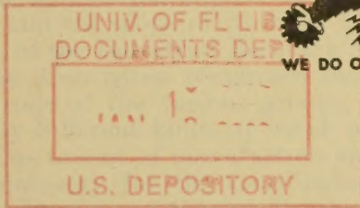
NATIONAL RECOVERY ADMINISTRATION

PROPOSED CODE OF FAIR COMPETITION

FOR THE

BROOM AND MOP HANDLE
MANUFACTURING INDUSTRY

AS SUBMITTED ON AUGUST 31, 1933



The Code for the Broom and Mop Handle Manufacturing Industry in its present form merely reflects the proposal of the above-mentioned industry, and *none of the provisions contained therein are to be regarded as having received the approval of the National Recovery Administration as applying to this industry*

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1933



SUBMITTED BY

NATIONAL HANDLE MANUFACTURERS' ASSOCIATION

(II)

PROPOSED CODE OF FAIR TRADE PRACTICE FOR NATIONAL BROOM AND MOP HANDLE INDUSTRY UNDER THE PROVISIONS OF THE INDUSTRIAL RECOVERY ACT

Recognizing the provisions of the Industrial Recovery Act of 1933, passed by both Houses of Congress and approved by the President of the United States, The National Handle Manufacturers Association adopts the following code to effectuate the purposes of the Act. This code is not designed to promote a monopoly or to eliminate, oppress, or discriminate against small enterprises.

The National Handle Manufacturers Association is truly representative of the Broom and Mop Handle Manufacturing Industry, comprising three distinct groups, west Coast manufacturers of Fir Handles, Northern Manufacturers of Hardwood handles; and Southern Manufacturers of Pine and Hardwood handles. It represents more than 90 percent of the total manufacturers of Broom and Mop Handles in the United States and is National in its scope.

For the purposes of brevity the National Handle Manufacturers Association is hereinafter referred to as "The Association" and the code of Fair Trade Practice for Broom and Mop Handle Manufacturing Industry is hereinafter referred to as "National Handle Code."

The Association imposes no inequitable restrictions as to membership and the scope of its work is in direct relationship to the purposes of the Industrial Recovery Act.

The Association recognizes the necessity for the coordination in this code of the various groups, manufacturing handles from distinctly different kinds of wood, and under entirely different conditions as to cost of manufacture and delivery, and further recognizes the necessity for the coordination of its code with the codes of other divisions of the woodworking industry, and with the codes of other industry, thru the Emergency National Committee and such other Government officials or departments, which are established for this purpose.

The Association is prepared to administer the provisions of the Industrial Recovery Act and sets forth the following method of procedure:

(a) It will appoint representatives to General Industry Committees for purposes of coordination.

(b) It will appoint a representative committee of manufacturers composed of 2 from the west coast, 2 from the Northern and 2 from the Southern to administer the code, and adjust complaints. This committee shall have full and complete authority to act in all matters for the association and shall be known as the Control Committee.

(c) The Control Committee will set up the necessary physical machinery to administer the code, the expense of which will be apportioned to all handle manufacturers in relation to the volume of sales.

ARTICLE 1—MINIMUM WAGES

The Association hereby fixes a minimum common-labor wage and maximum hours of labor to be the same as fixed by the West Coast Lumber Association, the Northern Hemlock and Hardwood Association, and the Southern Pine Association and Hardwood Manufacturers Institute, these rates to be applied in each section as covered by these respective associations; minimum rates for other than common labor shall bear the normal relationship to the common-labor rate, as has been usual and customary in the industry.

(a) The rates shall be the minimum paid during the period covered by the Industrial Recovery Act or until such time as the Association shall fix with the approval of the properly designated government officials, or department, and/or the approval of the President of the United States, different minimum wage rates.

ARTICLE 2—WORKING CONDITIONS

The Handle Association recognizes and adopts the conditions established by section 7-a of the Industrial Recovery Act, i.e.—

(a) That employees shall have the right to organize and bargain collectively thru representatives of their own choosing and chosen from their own ranks.

(b) That no employees and no one seeking employment shall be required as a condition of employment to join any organization or to refrain from joining a labor organization of his own choosing.

(c) That all Handle manufacturers shall comply with the maximum hours of labor, minimum rates of pay, and other working conditions as set forth in this code and approved by the President of the United States.

ARTICLE 3—PRICE CONTROL

(a) In order to effectuate the purposes of the Industrial Recovery Act and the provisions of this code, the Association recognizes the necessity of realizing a fair return for its products, especially if it is to meet the added burdens of cost occasioned by higher priced materials, shorter working hours, and higher wages.

(b) To carry thru these provisions, the Association has authorized the Control Committee to establish and maintain a minimum price based on cost of production for all kinds, grades, and sizes of handles as manufactured by the Broom and Mop Handle Industry, with the proper and equitable differences, as between various kinds of woods used and conditions under which the different groups of manufacturers operate, said minimum prices to be fixed under the supervision of the proper government officials and with the approval of the President of the United States.

(c) These prices as and when fixed or on and after date this code becomes effective all manufacturers will be required to observe these minimum prices on all sales made. All minimum price lists as established shall remain in effect until changed by the Control Committee, with the approval of the President of the United States.

(d) The Association authorizes its Control Committee to establish with the Fir Lumber Industry, Yellow Pine Lumber Industry, and

Hardwood Lumber Industry, a fair and equitable price for Broom and Mop handle blanks of various kinds, sizes, and grades as used in the handle industry.

(e) To prevent unfair competition in the quotations of prices on a delivered basis, the Association hereby adopts a Table of Standard Weights for each kind and size of handle, which is attached hereto. The freight on all handles sold must be estimated according to the weights shown in this table, and added to the f.o.b. mill minimum prices, provided by this code.

ARTICLE 4—CONTROL OF PRODUCTION

(a) The Association recognizes those provisions of the Industrial Recovery Act which allow industry to control its production. It recognizes that maximum hours of work, minimum wages, and minimum prices cannot be arbitrarily maintained in an industry which produces more than consumption justifies.

(b) The Association hereby authorizes the Control Committee to apportion production among the manufacturers of Broom and Mop handles, upon a basis that takes into full consideration the factors of capacity, past performance, stocks on hand, and contracts for raw materials. That production may be fairly apportioned first as between groups making principally handles from the same woods and secondly, as between plants in each group and in the whole of all groups, the Control Committee is hereby authorized to set up and use such physical machinery as may be necessary to gather needed data on past performances, capacity, etc. It shall constitute an unfair practice for any manufacturer to produce in excess of the quota so apportioned. Production quotas as fixed will remain in force until they are changed by the Control Committee with the approval of the President of the United States.

ARTICLE 5—STANDARDIZATION OF PRODUCT

(a) The Association shall appoint a Committee for the purpose of standardizing insofar as possible, size, grading, rules, size of packages, and method of packing, grade marking, and general practices in the industry. The report of this Committee, after the approval of the members of the Association, shall be attached hereto and become a part of this code.

ARTICLE 6—REPORTS

(a) Every Manufacturer of handles shall keep the necessary records to enable him to render such reports as may be required by the Association.

(b) The following reports shall be furnished the proper authority as may be selected by the Control Committee for the physical administration of this code, by each manufacturer of handles:

1. A weekly report of production, orders, and shipments.
2. A monthly report of stocks on hand.
3. A monthly report on number of persons employed, and wage rates paid, and number of hours worked.

(c) In order to assure uniform understanding of the requirements as to various reports and to make sure that reports are made correctly and that other requirements of this code are being complied with, the Association hereby authorizes and directs the Control Committee thru whatever authority the Control Committee may set up for the physical administration of this code, to audit the books and records of each manufacturer in the industry from time to time so far as may be necessary for the purposes in view; and each manufacturer is required to make its books and records available for these purposes, and is further required to keep a record of all invoices covering sales in a serial form, with all serial numbers complete, to facilitate the handling of such audit.

ARTICLE 7—TRADE ETHICS

(a) The Association recognizes that in addition to all the foregoing code provisions, the maintenance of uniform terms of sale, trade practice, commissions paid, discounts allowed, etc., are vitally necessary. It accordingly has set up and attaches hereto as part of this code certain rules and regulations under the title of "Fair Trade Practices."

ARTICLE 8

For the administration of this code and the adjustment of complaints, the Association appoints the Control Committee composed, as hereinbefore stated, of representatives of the various groups, and the different producing sections, with full authority to make all necessary rules and regulations for the effective administration and enforcement of the provisions of this code.

ARTICLE 9

Violation by any manufacturer or distributor of Broom and Mop Handles to the trade of any of the provisions of this code or of any approval rule or regulation issued hereunder is an unfair method of competition.

ARTICLE 10

This code shall be in full force and effect beginning ten days after the approval by the President of the United States or by the approval of any Government official or department that may be designated for this purpose by the President of the United States.

In witness whereof, we the undersigned Broom and Mop Handle Manufacturers do hereto subscribe and hereto set our hands and seals this 22nd day of June 1933 at Chicago, Illinois.

NATIONAL HANDLE MFGRS. ASSN.

H. B. WHITE, *President,*
Bogalusa, La.

Attest:

FRANK F. COLLINS, *Secretary,*
Arcola, Illinois.

FAIR TRADE PRACTICES IN CODE OF NATIONAL HANDLE MANUFACTURERS ASSOCIATION

DEFINITIONS

1. A Broom and Mop Handle Manufacturer is one who operates a Handle factory with or without a finishing department, making handles from lumber, saw mill waste, or direct from logs.

2. A Supply Dealer is one actually, continuously, and principally engaged in the business of buying Broom and Mop Handles, Broom Corn, Cotton Yarn, and supplies in quantity, handles in carload lots, and resells to the Broom and Mop Manufacturers in small quantities. He carries his own accounts, buying and selling outright.

3. A Handle Commission Man is one who sells handles in carload lots, or less, for a manufacturer of handles, and who is paid a stipulated amount (known as commission) and holds a relation to the seller similar to that of a salaried salesman.

4. A Broom or Mop Manufacturer is one who operates a factory making complete brooms or mops and who purchases handles usually direct from the Handle Manufacturer in carload lots, in some cases in pool cars, and from the Supply Dealer in small quantities usually.

TRADE TERMS

1. Trade Terms, describing grades, grade marking, kind of woods, shall conform to the rules and regulations as set up by the Standardization Committee of the National Handle Manufacturers Association.

PRICE DISCRIMINATION

1. The industry while maintaining absolute freedom in the issuance of price schedules from time to time by any manufacturer, insists that there shall be no discrimination as between purchases or handles, and that all prices published or otherwise circulated to the trade shall truly represent the prices at which sales are made, prices may be changed at any time, but any new prices must be circulated in the same manner as above provided, difference in price due to quality, quantity, or grade, credit risk or the cost of selling and transportation are not effected hereby.

REBATES

1. The secret rebating in part or whole of commissions by manufacturers, supply dealers, or commission men or the allowance of unearned refunds, deductions, incorrect freight or other credit allowances are condemned as unfair methods of competition.



DISCOUNTS

1. Cash discount of 2 percent (after deduction of freight charges if any) shall be allowed on all sales if paid in 5 days from arrival of car or 60 days net from date of shipments.

CONTRACTS

1. Contract sales shall not be made for longer than six months delivery. Sales guaranteed against price decline will be considered unfair competition.

QUOTATIONS

1. Direct quotations of prices and terms shall be limited to a specific time, and when made should be protected for the period so stated. In absence of such specific time, quotations will be subject to prior sale, and change without notice.

ORDERS

1. Orders shall be given and confirmed in writing, and all conditions pertaining to the sales contract shall be embodied therein.

TERMS OF SALE

We set forth the following as a definite statement of sales terms and policies to which we will strictly adhere.

(A) To all Customers:

Freight net payable by buyer.

Prices do not include taxes, tolls, or freight surcharges, now or hereafter imposed, and same are for account of buyer.

(B) We will not:

1. Give commission or discounts other than set forth in terms of sale, and under item Discounts.

2. Give secret price concessions.

3. Make shipments for storage or consignment except for our own account in regular warehouse storage.

4. Place shipments in transit for future sales, or for sale while in transit.

5. Mislabel any grade of handles, or ship any grade of handle other than as shown on orders, and as invoiced.